

# EXHIBIT 107

1 UNITED STATES DISTRICT COURT  
2 SOUTHERN DISTRICT OF NEW YORK  
3 Case No. 22-cv-4563

4 - - - - -x

5 COMMODITY FUTURES TRADING COMMISSION,

6 Plaintiff,

7 -against-

8 GEMINI TRUST COMPANY,

9 Defendant.

10 - - - - -x

11  
12  
13 CONFIDENTIAL VIDEOTAPED DEPOSITION OF

14 SHANE MOLIDOR

15 NEW YORK, NEW YORK

16 WEDNESDAY, DECEMBER 13, 2023

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21  
22 REPORTED BY:

23 DANIELLE GRANT

24 JOB NO.: 6305652

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2 A I don't recall if a locking  
3 mechanism was in place as part of the admin  
4 credit process.

5 Q Okay. But do you know if  
6 customers were able to actually do that, if  
7 they were able to withdraw the amount before  
8 the corresponding deposit hit?

9 A Again, my recollection, I'm not  
10 aware of any locking mechanism that existed.

11 Q Are you aware of what the policy  
12 said?

13 MR. LAVERNE: Objection.

14 A No.

15 Q So in your affidavit, on paragraph  
16 17 you wrote: It's my understanding in  
17 company policies and procedures attached,  
18 that market participants were expected to  
19 send corresponding funds for these  
20 advancements to be delivered to Gemini  
21 within 24 hours.

22 Do you see that?

23 A Yes.

24 Q And that is consistent with the  
25 policy that we just read; is that right?

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2 MR. LAVERNE: Objection.

3 A My understanding of the policies  
4 and procedures attached is they refer to  
5 fiat operational advances.

6 Q You then wrote: I never advised  
7 Cameron or Tyler Winklevoss of any situation  
8 where operational advances did not comply  
9 with company policies and procedures.

10 Do you see that?

11 A Yes.

12 Q And that's an accurate statement,  
13 right?

14 A Based on the attached company  
15 policies and procedures that relate to fiat  
16 operational advances.

17 Q And then you also wrote: I was  
18 never advised by Cameron or Tyler Winklevoss  
19 that it was permissible for operational  
20 advances to remain outstanding in a manner  
21 that was not consistent with company  
22 policies and procedures.

23 Do you see that?

24 A Yes.

25 Q So it's fair to say that, to your

1 MOLIDOR

2 knowledge, Cameron and Tyler Winklevoss  
3 never knew that fiat operational advances  
4 were outstanding longer than the 24 hours  
5 set forth in the policy; is that fair?

6 MR. LAVERNE: Objection.

7 MS. DE URIOSTE: Objection.

8 A I can't speak to what Cameron or  
9 Tyler may or may not have known.

10 Q Okay. But you never told them  
11 that there were fiat operational advances  
12 that were extended for more than 24 hours;  
13 is that right?

14 A As stated in the affidavit, I  
15 never advised Cameron or Tyler Winklevoss of  
16 any situation where operational advances, as  
17 referenced in the attached policies and  
18 procedures that relate to fiat operational  
19 advances, did not comply with company  
20 policies and procedures.

21 Q So you have no reason to believe  
22 that Cameron and Tyler Winklevoss thought  
23 that fiat operational advances as a matter  
24 of course were not in compliance with the  
25 policy; is that fair?

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2 MR. LAVERNE: Objection.

3 A Again, I can't speak to what  
4 Cameron or Tyler may or may not have known.  
5 So I can't opine on that.

6 Q You can opine on what you  
7 specifically said to them, and you never  
8 told them there was any violation of company  
9 policy when it came to fiat operational  
10 advances; is that fair?

11 MR. LAVERNE: Objection. Asked  
12 and answered.

13 A I believe I responded to that.

14 Q Okay. And your answer is yes,  
15 right?

16 MR. LAVERNE: Objection.

17 A That is not my answer. If you  
18 would like, we can pull up the transcript to  
19 see my answer.

20 Q Well, my question is simple.

21 Do you have any -- do you have  
22 any -- I know you can't get inside Cameron  
23 and Tyler Winklevoss' heads.

24 But do you have any reason to  
25 believe any interaction you had with them

1 MOLIDOR

2 that suggested that they thought fiat  
3 operational advances at Gemini were not  
4 complying with the policy?

5 MR. LAVERNE: Objection.

6 A Again, I can't speculate to state  
7 of mind or what they may have not known --  
8 may or may not have known.

9 Q Okay. But you can testify as to  
10 what you said to them, right?

11 A I can testify that I never advised  
12 Cameron or Tyler Winklevoss of any situation  
13 where operational advances as referenced in  
14 the attached policies and procedures related  
15 to fiat operational advances did not comply  
16 with company policies and procedures.

17 Q And it's your testimony that this  
18 policy only applies to fiat, not advances of  
19 digital asset -- digital assets; is that  
20 right?

21 A My understanding of reading of the  
22 attached policies and procedures is that it  
23 explicitly states fiat operational advances  
24 with reference to wire deposits.

25 Q And is it -- do you have any

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2 knowledge about what Gemini publicly said  
3 about advancing funds associated with  
4 bitcoin transfers?

5 A No.

6 Q Do you know if they said anything  
7 about that on the website?

8 A I don't recall.

9 Q Do you know if there was a  
10 specific policy associated with advances of  
11 digital currency assets?

12 A I don't recall.

13 Q Now, on the topic of advances of  
14 digital currency assets, just so I'm clear,  
15 you are not the sole person who is  
16 responsible for proposing these to  
17 institutional customers; is that right?

18 A That's correct.

19 Q Who else was involved in this, to  
20 your knowledge?

21 A These are my general  
22 recollections. Proposals for operational  
23 advances could come from a number of  
24 individuals. That might include Ben Small.  
25 It might include Cameron Winklevoss, Tyler



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2 Winklevoss, or Sarah Olsen or John  
3 Reinhardt.

4 Q Now, you testified earlier about  
5 how these operational advances or floats  
6 could, quote, expand the balance sheet of a  
7 client.

8 Do you recall that?

9 A Yes, I recall.

10 Q But I want to make sure I  
11 understand this because the idea of an  
12 operational advance was to allow a client to  
13 trade the amount that corresponds to funds  
14 or bitcoin that was in flight; is that  
15 right?

16 A As stated earlier, my general  
17 recollection of operational advances and  
18 advance credits is that it was a means to  
19 credit the account balance of an institution  
20 prior to receiving funds.

21 Q Okay. But the idea was it was  
22 not -- it was not a credit; it was to give  
23 them a bridge until an actual deposit came  
24 in; is that fair?

25 A Again, my understanding was that

1 MOLIDOR

2 it provided a credit prior to receiving  
3 funds.

4 Q And what's that understanding  
5 based on?

6 A The general business practices  
7 employed by Gemini.

8 Q Now, you also in the last sentence  
9 of your affidavit on paragraph 17, you said:  
10 I was never advised by Cameron or Tyler  
11 Winklevoss that it was permissible for  
12 operational advances to remain outstanding  
13 in a manner that was not consistent with  
14 policies and procedures.

15 Do you see that?

16 A I see that.

17 Q That's an accurate statement,  
18 right?

19 A Operational advances as referenced  
20 in the policies and procedures attached  
21 here, which relate to wire deposits and fiat  
22 transfers.

23 Q So the only thing not that's not  
24 covered in this affidavit, then, when it  
25 comes to operational advances is advances of

1 MOLIDOR

2 digital currencies; is that right?

3 MR. LAVERNE: Objection.

4 A My understanding is that the  
5 policies and procedures attached do not  
6 provide insight on operational advances of  
7 digital currency.

8 Q Now, I want to talk about  
9 operational floats.

10 So for -- from your perspective,  
11 would operational floats apply to both fiat  
12 and digital assets?

13 A Based on my recollection,  
14 operational floats was a term used for  
15 digital currency.

16 Q So operational floats has no  
17 application to fiat?

18 A I have no recollection of  
19 operational floats being used to describe  
20 fiat advanced credits.

21 Q And for operational floats, was  
22 there an approval mechanism that you recall  
23 associated with those?

24 A As discussed earlier, operational  
25 floats were a consequence of an operational

1 MOLIDOR

2 advance. Therefore, there was an approval  
3 mechanism for an operational advance.

4 Q And the approval associated with  
5 the operational advance would flow to the  
6 approval associated with the operational  
7 float?

8 A The approval mechanism for the  
9 operational advance was the admin credit  
10 dual-control process. That provided the  
11 operational advance. The operational  
12 advance was then, at times, allowed to float  
13 either intentionally or at times, my  
14 recollection is, unintentionally.

15 Q And how would that unintentionally  
16 happen to the best of your recollection?

17 A To the best of my recollection,  
18 these operational advances were often  
19 provided during bouts of high marketplace  
20 volatility, where many funds were in flight,  
21 both in and out of the platform from high  
22 value institutional clients. Given that  
23 there is no automated way to exercise a  
24 subsequent debit of an operational advance,  
25 my recollection is that sometimes, in the

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2 chaos of the market volatility, individuals  
3 would forget to exercise a debit despite an  
4 institution having received their funds that  
5 they deposited.

6 Q So it would be a scenario where  
7 the institution would actually do the  
8 transfer, but the debit would never happen  
9 on the spreadsheet because it just got lost  
10 in the shuffle?

11 A That's correct.

12 Q Understood.

13 And do you recall how frequently  
14 that happened?

15 A My recollection is that it  
16 happened somewhat frequently.

17 Q But there was an error on the  
18 internal booking for Gemini, right?

19 A I can't speak to the  
20 classification of the error.

21 Q Okay. But it is true that, at the  
22 time, the client had send the funds or the  
23 digital currency that it said it would send?

24 A To clarify, at that point, the  
25 client would have not only sent the funds,